



TOM TINDALL
Director

County of Los Angeles INTERNAL SERVICES DEPARTMENT

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"To enrich lives through effective and caring service"

September 20, 2012

To: Supervisor Zev Yaroslavsky, Chair
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: Tom Tindall
Director

A handwritten signature in black ink that reads "Tom Tindall". The signature is written in a cursive, flowing style.

Subject: **RETROACTIVE CONTRACTS ANNUAL REPORT**

In May 2007, the Retroactive Contract Review Committee (RCRC) was established to review any retroactive contract(s) before departments could proceed with placing the item on your Board's agenda for approval. As part of the RCRC review process, departments are required to prepare a report explaining the circumstances that led to the retroactive occurrence, the corrective action measures to be implemented to prevent reoccurrences, and any disciplinary actions imposed. For each retroactive matter, the RCRC provides a final recommendation that must be included in the subsequent Board letter.

As indicated in Attachment I, one retroactive occurrence was presented to the RCRC involving one contract totaling \$451,876, during Fiscal Year 2011-12. The reason for the retroactive occurrence was attributable to exceeding the maximum contract amount without proper authority.

Proactive Measures

As part of our ongoing efforts to reduce retroactive contracts, the RCRC will continue to work with departments who bring forward retroactive contracts to assess the circumstances that lead to non-compliance and to make recommendations to improve their processes.

Each Supervisor
September 20, 2012
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ISD will continue to report to your Board on an annual basis for retroactive contracts. If you have any questions regarding this memorandum, please contact me at (323) 267-2101.

TT:JS:YY:lg

Attachment

c: ISD Board Deputies
Chief Executive Officer
DCEO, Operations
All Department Heads
Administrative Deputies
Contract Managers

ANNUAL RETROACTIVE CONTRACTS
FISCAL YEAR 2011-12

RCRC MEETING DATE	BOARD AGENDA DATE	DEPARTMENT/PROJECT	NUMBER OF CONTRACTS	RETROACTIVE AMOUNT	Comments
July 14, 2011	Sep. 6, 2011	Chief Executive Office & Fire Department Fire Command and Control Facility Dispatch Project (Capital Project No. 88919)	1	\$451,876	Retroactive payments made to Red Stick Development Inc., for services that exceeded the scope and the amount of the board approved contract.
TOTAL			1	\$451,876	